

2020 Regular Session

SENATE BILL NO. 65

BY SENATOR TALBOT

AUTOMOBILE INSURANCE. Creates an exemption for members of the armed services to avoid a penalty for lapse of automobile coverage. (8/15/20)

AN ACT

To amend and reenact 32:861.1, relative to automobile insurance; to provide relative to cancellation coverage; to provide for exemptions for armed services members under certain circumstances; and to provide for related matters.

Be it enacted by the Legislature of Louisiana:

Section 1. 32:861.1 is hereby amended and reenacted to read as follows:

§861.1. Security required; exemptions ~~for active duty overseas~~ **armed services members**

A.~~(1)~~ The registered owner of a motor vehicle who is a member of the armed services is exempt from the provisions of Chapter 5 of this Title, while on active duty overseas, provided the owner notifies the commissioner that he wishes to discontinue the use of a vehicle registered in his name by notarized affidavit within fifteen business days of cancellation of liability security on the vehicle. Such affidavit shall set forth the date upon which the vehicle will no longer be in use, the intended period of nonuse, and site storage address of the vehicle. The owner shall attach a copy of his orders to active duty overseas to his notarized affidavit.

(2) The registered owner of a motor vehicle who is a member of the

1 armed services is exempt from the provisions of Chapter 5 of this Title while on
 2 deployment, provided the owner notifies his insurance company that he wishes
 3 to discontinue the use of a vehicle registered in his name by notarized affidavit
 4 concurrent with cancellation of liability security on the vehicle. Such affidavit
 5 shall set forth the date upon which the vehicle will no longer be in use, the
 6 intended period of nonuse, and site storage address of the vehicle. The owner
 7 shall attach a copy of his orders for deployment to his notarized affidavit. The
 8 insurance company shall notify the commissioner within fifteen business days
 9 of cancellation of the insured's deployment related to the cancellation.

10 B. This An exemption provided by the provisions of Subsection A of this
 11 Section terminates on the final date of nonuse as set forth in the affidavit or upon a
 12 subsequent report of liability security on the vehicle to the office of motor vehicles,
 13 whichever occurs first.

The original instrument and the following digest, which constitutes no part
 of the legislative instrument, were prepared by Cheryl B. Cooper.

DIGEST

SB 65 Original

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Talbot

Present law requires a person who is required to have automobile insurance to surrender the license plate of the vehicle to the office of motor vehicles to avoid a penalty for a lapse in coverage.

Present law exempts a member of the armed services on active duty overseas from the Motor Vehicle Safety Responsibility Law (MVSRL).

Proposed law retains present law and allows an exception from the MVSRL for a member of the U.S. armed services who is being deployed. Provides that a service member being deployed shall not be subject to the MVSRL if the member notifies his insurance company by affidavit of his deployment concurrent with the cancellation of liability security on the vehicle.

Proposed law requires that the affidavit set forth the date upon which the vehicle shall no longer be in use, the intended period of nonuse, and site storage address of the vehicle. Requires the owner of the vehicle to attach a copy of his orders for deployment.

Proposed law requires the insurance company to notify the commissioner of the Department of Public Safety and Corrections of the cancellation related to the insured's deployment within fifteen days of cancellation.

Effective August 15, 2020.

(Amends 32:861.1)